

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUND
Statements of Revenues, Expenses, and
Changes in Net Assets —Internal Service Funds
YTD as of September 30, 2013

10/18/2013

| | YTD 9/30/2013 | Full Year 6/30/2013 | Full Year 6/30/2012 | Full Year 6/30/2011 |
|-------------------------------------|----------------------|------------------------|------------------------|------------------------|
| Operating revenues: | | | | |
| Operating income | \$ 34,436,857 | \$ 127,318,181 | \$ 122,941,566 | 119,211,913 |
| Other income | | | | 884 |
| Investment income | 68,390 | 284,792 | 443,209 | 498,476 |
| Total operating revenues | <u>\$ 34,505,247</u> | <u>\$ 127,602,973</u> | <u>\$ 123,384,775</u> | <u>\$ 119,711,273</u> |
| Operating expenses: | | | | |
| Losses and loss expenses | 30,055,110 | 111,401,605 | 114,179,304 | 111,900,464 |
| All other expenses | 2,027,077 | 7,771,150 | 7,060,881 | 8,621,004 |
| Total operating expenses | <u>\$ 32,082,187</u> | <u>\$ 119,172,755</u> | <u>\$ 121,240,185</u> | <u>\$ 120,521,468</u> |
| Nonoperating revenues: | | | | |
| Capital contributions | 0 | 0 | 0 | 49,990 |
| Return of contributions | 0 | (6,178,953) | | |
| Transfers to Other Funds | 0 | 0 | 0 | (1,380,291) |
| Short-Term Disability Rebate | 0 | | | |
| Loss on disposal of capital assets | 0 | 0 | 0 | (3,273) |
| Total nonoperating revenues | <u>\$ 0</u> | <u>\$ (6,178,953)</u> | <u>\$ -</u> | <u>\$ (1,333,574)</u> |
| Change in net assets | 2,423,060 | 2,251,265 | 2,144,590 | (2,143,769) |
| Total net assets - Beginning | 45,418,988 | 43,167,723 | 41,023,133 | 43,166,902 |
| Total net assets - Ending | <u>\$ 47,842,048</u> | <u>\$ 45,418,988</u> | <u>\$ 43,167,723</u> | <u>\$ 41,023,133</u> |

Maricopa County
Employee Benefits Trust Funds
Statements of Net Assets - Internal Service Funds
September 30, 2013, June 30, 2013, June 30, 2012, and June 30, 2011

| | 9/30/2013 | 6/30/2013 | 6/30/2012 | 6/30/2011 |
|--------------------------------------|----------------------|----------------------|----------------------|----------------------|
| Assets | | | | |
| Cash and cash equivalents | \$ 54,424,017 | \$ 60,786,170 | \$ 60,636,639 | \$ 57,181,449 |
| Interest receivable | 81,633 | 81,633 | 42,598 | 3,563 |
| Accounts receivable | 531,826 | 570,404 | 924,206 | 898,195 |
| Due from Other Departments | 1,257,626 | | | |
| Prepaid insurance | 2,847,662 | 2,606,982 | 1,411,102 | 852,807 |
| Capital assets, net | 0 | 0 | 0 | 0 |
| | <u>\$ 59,142,763</u> | <u>\$ 64,045,189</u> | <u>\$ 63,014,545</u> | <u>\$ 58,936,014</u> |
| Liabilities | | | | |
| Accounts payable | 2,656 | 586,562 | 88,404 | 124,271 |
| Accrued Liabilities | 2,417,582 | 9,617,663 | 5,554,366 | 2,382,967 |
| Employee compensation payable | 116,733 | 135,030 | 3,268,085 | 3,290,574 |
| Reserve for losses and loss expenses | 8,763,745 | 8,286,946 | 10,935,968 | 12,115,069 |
| Total liabilities | <u>\$ 11,300,716</u> | <u>\$ 18,626,201</u> | <u>\$ 19,846,823</u> | <u>\$ 17,912,881</u> |
| Net Assets | | | | |
| Invested in capital assets | 0 | | 0 | 0 |
| Unrestricted (deficit) | 47,842,048 | 45,418,988 | 43,167,723 | 41,023,133 |
| Total net assets (deficit) | <u>\$ 47,842,048</u> | <u>\$ 45,418,988</u> | <u>\$ 43,167,723</u> | <u>\$ 41,023,133</u> |

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Fund Balance Roll-Forward
Three Months Ended September 30, 2013

Self Insured Funds

| <u>Fund</u> | <u>Expenditures</u> | <u>Revenues</u> | <u>Net</u> | <u>Fund Balance 7/1/2013</u> | <u>Fund Balance 9/30/2013</u> |
|-------------------------------|----------------------|----------------------|---------------------|----------------------------------|-----------------------------------|
| 601-CMG MEDICAL | \$ 11,414,481 | \$ 12,295,079 | \$ 880,598 | \$ 1,819,239 | \$ 2,699,837 |
| 604-OAP MEDICAL | 8,906,513 | 9,564,910 | 658,397 | 166,644 | 825,041 |
| 606-CHOICE FUND H.S.A. | 4,761,681 | 5,046,980 | 285,299 | 874,392 | 1,159,691 |
| Total Medical & BH | \$ 25,082,675 | \$ 26,906,969 | \$ 1,824,295 | \$ 2,860,275 | \$ 4,684,570 |
| 608-COINSURANCE PHARMACY | 3,469,371 | 3,814,380 | 345,008 | 20,582,799 | 20,927,807 |
| 619-ONSITE PHARMACY CLINIC * | 443,434 | 394,835 | (48,599) | (372,426) | (421,025) |
| 620- BENEFITS ELIMINATIONS | (253,399) | (253,399) | 0 | 0 | 0 |
| Total Pharmacy | \$ 3,659,407 | \$ 3,955,816 | \$ 296,409 | \$ 20,210,373 | \$ 20,506,782 |
| 614-BEHAVIORAL HEALTH | 379,143 | 421,661 | 42,518 | 5,181,294 | 5,223,812 |
| 629-SI DENTAL | 1,080,327 | 1,131,333 | 51,006 | 5,122,173 | 5,173,179 |
| 623-VISION | 388,782 | 425,267 | 36,485 | 54,125 | 90,610 |
| 615-WELLNESS | 154,167 | 350,258 | 196,091 | 3,820,637 | 4,016,728 |
| 618-BENEFIT ADMINISTRATION | 607,270 | 806,493 | 199,223 | 5,751,269 | 5,950,492 |
| 999-BENEFITS CLEARING | | (0) | (0) | | (0) |
| Total Other | \$ 2,609,690 | \$ 3,135,011 | \$ 525,322 | \$ 19,929,498 | \$ 20,454,820 |
| Grand Total | \$ 31,351,771 | \$ 33,997,797 | \$ 2,646,026 | \$ 43,000,146 | \$ 45,646,172 |

Employee Self Insured Funds

| | | | | | |
|-------------------------------------|----------------------|----------------------|---------------------|----------------------|----------------------|
| 611-60 PERCENT STD | 627,674 | 383,813 | (243,861) | 413,038 | 169,177 |
| 612-50 PERCENT STD | 82,754 | 86,093 | 3,339 | 1,242,785 | 1,246,124 |
| 613-40 PERCENT STD | 19,989 | 37,545 | 17,556 | 763,016 | 780,572 |
| Total STD | \$ 730,416 | \$ 507,450 | \$ (222,966) | \$ 2,418,839 | \$ 2,195,873 |
| Total Self-Insured Ex Rebate | \$ 32,082,187 | \$ 34,505,247 | \$ 2,423,060 | \$ 45,418,985 | \$ 47,842,045 |
| Short-Term Disability Rebate | 0 | | 0 | | |
| Total Self-Insured | \$ 32,082,187 | \$ 34,505,247 | \$ 2,423,060 | \$ 45,418,985 | \$ 47,842,045 |

Fully Insured (Agency) Funds

| <u>Fund</u> | <u>Expenditures</u> | <u>Revenues</u> | <u>Net</u> | <u>Fund Balance 7/1/2013</u> | <u>Fund Balance 9/30/2013</u> |
|--------------------------------|---------------------|---------------------|---------------------|----------------------------------|-----------------------------------|
| 607-FI DENTAL PPO | \$ 1,302,166 | \$ 1,304,187 | \$ 2,021 | \$ 77,526 | \$ 79,547 |
| 625-FI PREPAID DENTAL | 57,333 | 58,008 | 675 | 109,386 | 110,061 |
| Total Dental | \$ 1,359,499 | \$ 1,362,195 | \$ 2,696 | \$ 186,912 | \$ 189,608 |
| 621-FLEX SPENDING HEALTH | 842,898 | 612,049 | (230,848) | 0 | (230,848) |
| 622-FLEX SPENDING DEP CARE | 96,885 | 227,235 | 130,351 | 0 | 130,351 |
| Total FSA | \$ 939,783 | \$ 839,285 | \$ (100,498) | \$ - | \$ (100,498) |
| 626-FI LIFE AND AD AND D | 97,526 | 97,810 | 284 | 40,664 | 40,948 |
| 627-SUPPLEMENTAL LIFE | 855,515 | 860,938 | 5,424 | 238,311 | 243,735 |
| 630-DEPENDENT LIFE | 87,311 | 86,976 | (335) | 9,889 | 9,554 |
| Total Life and AD&D | \$ 1,040,352 | \$ 1,045,724 | \$ 5,373 | \$ 288,864 | \$ 294,237 |
| 628-EMPLOYEE ASSISTANCE | 96,794 | 97,083 | 288 | 1,051 | 1,339 |
| 631-VOLUNTARY BENEFITS | 234,168 | 234,723 | 555 | 3,952 | 4,507 |
| 632-CIGNA FOR SENIORS | 133,648 | 160,970 | 27,322 | 73,236 | 100,558 |
| Total Others | \$ 464,610 | \$ 492,775 | \$ 28,165 | \$ 78,239 | \$ 106,404 |
| Total Agency Funds | \$ 3,804,243 | \$ 3,739,979 | \$ (64,265) | \$ 554,015 | \$ 489,750 |

Note:

Onsite Pharmacy Clinic
* Flu Shot Savings

57,568

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
 Three Months Ended September 30, 2013

Self Insured Funds

| <u>Fund</u> | <u>Budget</u> | <u>Actual</u> | <u>Variance</u> | <u>Variance %</u> |
|-------------------------------|----------------------|----------------------|-------------------|-------------------|
| Revenue | | | | |
| 601-CMG MEDICAL | \$ 13,229,863 | \$ 12,295,079 | \$ (934,784) | -7.07% |
| 604-OAP MEDICAL | 8,962,170 | 9,564,910 | 602,740 | 6.73% |
| 606-CHOICE FUND H.S.A. | 3,861,645 | 5,046,980 | 1,185,335 | 30.70% |
| 614-BEHAVIORAL HEALTH | 437,448 | 421,661 | (15,787) | -3.61% |
| Total Medical & BH | \$ 26,491,126 | \$ 27,328,630 | 837,504 | 3.16% |
| 629-SI DENTAL | 1,074,531 | 1,131,333 | 56,802 | 5.29% |
| Total Dental | \$ 1,074,531 | \$ 1,131,333 | 56,802 | 5.29% |
| 608-COINSURANCE PHARMACY | 3,945,866 | 3,814,380 | (131,486) | -3.33% |
| 619-ONSITE PHARMACY CLINIC | 434,001 | 394,835 | (39,166) | -9.02% |
| 620- BENEFITS ELIMINATIONS | (311,250) | (253,399) | 57,851 | -18.59% |
| Total Pharmacy | \$ 4,068,617 | \$ 3,955,816 | (170,653) | -4.19% |
| 623-VISION | 412,856 | 425,267 | 12,411 | 3.01% |
| Total Vision | \$ 412,856 | \$ 425,267 | 12,411 | 3.01% |
| 615-WELLNESS | 340,701 | 350,258 | 9,557 | 2.81% |
| 618-BENEFIT ADMINISTRATION | 728,792 | 806,493 | 77,701 | 10.66% |
| Total Other | \$ 1,069,493 | \$ 1,156,751 | 87,258 | 8.16% |
| Grand Total | \$ 33,116,623 | \$ 33,997,797 | \$ 881,174 | 2.66% |

Employee Self Insured Funds

| | | | | |
|----------------------|----------------------|----------------------|----------------|--------------|
| 611-60 PERCENT STD | \$ 352,035 | \$ 383,813 | \$ 31,778 | 9.03% |
| 612-50 PERCENT STD | 76,140 | 86,093 | 9,953 | 13.07% |
| 613-40 PERCENT STD | 35,544 | 37,545 | 2,001 | 5.63% |
| Total STD | \$ 463,719 | \$ 507,450 | 43,731 | 9.43% |
| Total Revenue | \$ 33,580,342 | \$ 34,505,247 | 924,905 | 2.75% |

Expenses

| | | | | |
|-------------------------------|----------------------|----------------------|---------------------|---------------|
| 601-CMG MEDICAL | \$ 13,088,157 | \$ 11,414,481 | \$ 1,673,676 | 12.79% |
| 604-OAP MEDICAL | 9,638,511 | 8,906,513 | 731,998 | 7.59% |
| 606-CHOICE FUND H.S.A. | 4,390,693 | 4,761,681 | (370,988) | -8.45% |
| 614-BEHAVIORAL HEALTH | 437,445 | 379,143 | 58,302 | 13.33% |
| Total Medical & BH | \$ 27,554,806 | \$ 25,461,818 | \$ 2,092,988 | 7.60% |
| 629-SI DENTAL | 1,154,700 | 1,080,327 | 74,373 | 6.44% |
| Total Dental | \$ 1,154,700 | \$ 1,080,327 | 74,373 | 6.44% |
| 608-COINSURANCE PHARMACY | 4,104,270 | 3,469,371 | 634,899 | 15.47% |
| 619-ONSITE PHARMACY CLINIC | 434,001 | 443,434 | (9,433) | -2.17% |
| 620- BENEFITS ELIMINATIONS | (311,250) | (253,399) | (57,851) | 18.59% |
| Total Pharmacy | \$ 4,227,021 | \$ 3,659,407 | 567,614 | 13.43% |
| 623-VISION | 580,029 | 388,782 | 191,247 | 32.97% |
| Total Vision | \$ 580,029 | \$ 388,782 | 191,247 | 32.97% |
| 615-WELLNESS | 185,521 | 154,167 | 31,354 | |
| 618-BENEFIT ADMINISTRATION | 669,551 | 607,270 | 62,281 | 9.30% |
| Total Other | \$ 855,072 | \$ 761,438 | \$ 93,634 | 10.95% |
| Grand Total | \$ 34,371,628 | \$ 31,351,771 | \$ 3,019,857 | 8.79% |

Employee Self Insured Funds

| | | | | |
|---------------------------|----------------------|----------------------|---------------------|---------------|
| 611-60 PERCENT STD | \$ 6,552,035 | \$ 627,674 | \$ 5,924,361 | 90.42% |
| 612-50 PERCENT STD | 76,140 | 82,754 | (6,614) | -8.69% |
| 613-40 PERCENT STD | 35,544 | 19,989 | 15,555 | 43.76% |
| Total STD | \$ 6,663,719 | \$ 730,416 | \$ 5,933,303 | 89.04% |
| Total Self-Insured | \$ 41,035,347 | \$ 32,082,187 | \$ 8,953,160 | 21.82% |

Employee Benefits Trust Funds

10/18/2013

Balance Sheet Details

September 30, 2013, June 30, 2013, June 30, 2012, and June 30, 2011

| | 9/30/2013 | 6/30/2013 | 6/30/2012 | 6/30/2011 |
|--|---------------------|---------------------|----------------------|----------------------|
| <u>Accounts receivable</u> | | | | |
| <i>COBRA Receivable</i> | \$ 26,927 | \$ 61,593 | \$ 164,058 | \$ 109,355 |
| <i>Vision</i> | 1,954 | 1,057 | 1,057 | 1345 |
| <i>Dental</i> | 3,237 | 1,154 | 1,154 | 2652 |
| 0 | 0 | | | |
| <i>WHI Rebate</i> | 499,708 | 506,600 | 757,936 | 784,843 |
| Total Accounts receivable | \$ 531,826 | \$ 570,404 | \$ 924,206 | \$ 898,195 |
| <u>Prepaid insurance</u> | | | | |
| <i>STD</i> | \$ 87,530 | \$ 87,530 | \$ 94,567 | \$ 97,716 |
| <i>Vison</i> | 0 | 0 | 4,989 | 4,856 |
| <i>Dental</i> | 101,327 | 17,190 | | |
| <i>Medical</i> | 2,658,805 | 2,502,262 | 1,311,547 | 750,235 |
| Total prepaid insurance | \$ 2,847,662 | \$ 2,606,982 | \$ 1,411,103 | \$ 852,807 |
| <u>Accounts payable</u> | | | | |
| <i>Medical</i> | \$ (0) | \$ - | \$ - | \$ - |
| <i>Behavioral Health</i> | 0 | 65,355 | 38,030 | 32,500 |
| <i>Vision</i> | 0 | 280,230 | | 300 |
| <i>Dental</i> | | | | |
| <i>STD</i> | 0 | 13,978 | 11,929 | 13,007 |
| <i>614-BEHAVIORAL HEALTH</i> | 2,656 | 0 | 5,754 | 16,705 |
| <i>616-CONTRACT ADMINISTRATION</i> | 0 | 0 | 23,474 | 37,543 |
| <i>615-WELLNESS</i> | 0 | 18,399 | 9,218 | 24,217 |
| <i>623-VISION</i> | 0 | 105,707 | | |
| <i>619-ONSITE PHARMACY CLINIC</i> | 0 | 102,894 | | |
| Total accounts payable | \$ 2,656 | \$ 586,562 | \$ 88,405 | \$ 124,272 |
| <u>Accrued Liabilities</u> | | | | |
| <i>Medical</i> | \$ 1,222,553 | \$ 1,664,741 | \$ 2,846,956 | \$ 1,470,817 |
| <i>Pharmacy</i> | 670,217 | 524,517 | 625,425 | 650,525 |
| <i>Behavioral Health</i> | 0 | 355 | 0 | |
| <i>Vision</i> | 120,000 | (132,683) | | 0 |
| <i>Dental</i> | 195,230 | 157,837 | 139,519 | 261,625 |
| <i>STD</i> | 17,499 | 0 | | |
| <i>Accrued Employee Rebate</i> | 31,447 | 6,178,953 | | |
| <i>618-BENEFIT ADMINISTRATION</i> | 80,337 | 0 | | |
| <i>619-ONSITE PHARMACY CLINIC</i> | 80,300 | | | |
| 0 | | | | |
| <i>999-BENEFITS CLEARING</i> | 0 | 1,223,942 | 1,942,466 | |
| <i>HEALTH SELECT SI TRUST</i> | | | | |
| Total Accrued Liabilities | \$ 2,417,582 | \$ 9,617,663 | \$ 5,554,366 | \$ 2,382,967 |
| <u>Employee compensation payable</u> | | | | |
| <i>Consumer Choice Pharmacy Employee Allo</i> | \$ - | \$ 6,609 | \$ 3,122,217 | \$ 3,122,217 |
| <i>618-Employee compensation payable</i> | 111,219 | 128,422 | 145,869 | 124,553 |
| <i>615-Employee compensation payable</i> | 5,514 | | | |
| | | | | 43,804 |
| Total Employee Comp Accrual | \$ 116,733 | \$ 135,031 | \$ 3,268,086 | \$ 3,290,574 |
| <u>Reserve for losses and loss expenses -IBNR Details</u> | | | | |
| <i>Medical</i> | \$ 7,432,578 | \$ 6,995,779 | \$ 9,788,419 | \$ 10,991,704 |
| <i>Pharmacy</i> | | | | |
| <i>Behavioral Health</i> | 293,592 | 293,592 | 231,766 | 178,642 |
| <i>Vision</i> | 161,597 | 161,597 | 107,576 | 91,554 |
| <i>Dental</i> | 466,041 | 466,041 | 484,345 | 409,517 |
| <i>STD</i> | 409,937 | 369,937 | 323,861 | 443,654 |
| Total Reserve for losses and loss exen | \$ 8,763,745 | \$ 8,286,946 | \$ 10,935,967 | \$ 12,115,071 |

MARICOPA COUNTY
EMPLOYEE BENEFITS TRUST FUNDS
Financial Commentary
September 2013

June 30, 2013 Year-End Results

Based on the advice of our external auditors, Clifton Larson Allen, the short-term disability rebate of \$6,178,953 has been expensed in FY 2013. This determination is based on various Government Accounting Standard Publications which state that "Policyholder dividends should be accrued as dividends expense."

The Actuarial Reserve Report as of 6/30/2013 has updated the allocation of the amount of liability between the Medical Plans but does not change the total as follows: CMG (HMO) decrease of \$456,269; OAP (PPO) increase of \$571,097; HDHP (HSA) decrease of \$114,828.

September 2013 Year-To-Date Results

As of September 30, 2013, cash and cash equivalents were \$54,424,017 as compared to the June 30, 2013 balance of \$60,786,170; a decline of \$6,362,153. Cash not included in this account is shown in the prepaid insurance balance sheet account. This was \$2,847,662 as of September 30th versus a balance of \$2,606,982 on June 30, 2013; an increase of \$240,680. Prepaid insurance consists of the funding the Trust transfers to outside bank accounts to pay for Cigna medical claims and the employer contribution to employee Health Savings Accounts via sweeps. The combined reduction in cash-like balances was \$6,121,474.

Net Margin on a year-to-date basis through September 2013 was \$2,423,060 which occurred primarily in the Medical and Pharmacy Plans. Net Margin was not in line with the decrease in cash-like balances of \$6,121,474. This \$8,544,534 difference (or reduction in cash versus net margin) is accounted for as follows: There was an increase in the receivable "Due from other Departments" of \$2,481,568. This account is used to account for the difference between what departments are charged for benefits premiums and what the Benefit Trust records as revenues from the departments. The other major reason for the cash reduction is due to the payout of \$6,100,000 of the short-term disability rebate in August and September.

Review of the Fund Balance Roll-Forward

The three Medical Plans are showing Net Margin of \$1,824,295 through the three months ended September 2013. This profit is planned for and expected in the summer months as claims traditionally are low in the summer and high in the winter. It should be pointed out that the HDHP plan, Choice Fund H.S.A has a net margin of \$285,299 through September 2013. This shows that it has recovered all of the payout of the employer contribution to the Health Savings Accounts of approximately \$1,500,000 which was paid in July.

The Coinsurance Pharmacy Plan is showing net margin of \$345,008. This is favorable due to the conservative approach having been taken to set premium rates for Plan Year 2014.

The Short-Term Disability Rebate of \$6,178,953 was paid in the month of August and September to plan members for Plan Years 2008 to 2011. The Short-Term Disability plans are forecasted to lose up to \$800,000 on an operating basis which would bring their fund balance closer to the recommended reserve levels.

Maricopa County Benefits Trust **Benefit Trust Reserve Analysis**

Summary of Unrestricted and Restricted Benefits Trust Fund Activity FY 2010 to FY 2012

| | Actual | | Actual | | Actual | | Actual | | Forecast | |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|---------|---------|---------|----------|---------|
| | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 | FY 2015 | FY 2016 | FY 2017 | FY 2018 | FY 2019 |
| Benefit Trust Revenues | 113,805,250 | 119,761,263 | 123,384,775 | 127,602,973 | 129,084,424 | | | | | |
| Benefit Trust Expenditures | 114,669,611 | 121,905,032 | 121,240,185 | 125,351,708 | 137,175,878 | | | | | |
| Net Margin | (864,361) | (2,143,770) | 2,144,590 | 2,251,265 | (8,091,454) | | | | | |
| Opening Total Fund Balance | 44,031,264 | 43,166,903 | 41,023,133 | 43,167,723 | 45,418,988 | | | | | |
| Closing Total Fund Balance | 43,166,903 | 41,023,133 | 43,167,723 | 45,418,988 | 37,327,534 | | | | | |
| Less: | | | | | | | | | | |
| Short-Term Disability Fund Balance | 7,571,113 | 8,411,073 | 8,727,533 | 2,418,839 | 1,611,408 | | | | | |
| Wellness Fund Balance | 2,333,874 | 2,314,788 | 2,926,118 | 3,820,637 | 3,278,137 | | | | | |
| Net Unrestricted Fund Balance | 33,261,915 | 30,297,273 | 31,514,072 | 39,179,512 | 32,437,989 | | | | | |

Summary of Recommended Reserves

| | FY 2010 | FY 2011 | FY 2012 | FY 2013 | FY 2014 |
|--|------------|------------|------------|------------|------------|
| IBNR | 8,505,030 | 12,115,071 | 10,935,968 | 8,286,947 | 11,935,968 |
| Liability for Unpaid Claims Adj Adm Exp | 262,500 | 175,000 | 0 | 0 | 0 |
| Reserve for Large Claims | 0 | 2,722,850 | 3,273,892 | 3,296,724 | 3,296,724 |
| Reserve for Claims Fluctuation - 250% | 23,724,135 | 24,843,470 | 25,647,270 | 25,612,280 | 26,929,634 |
| Reserve for Excess COBRA Expense | 353,507 | 244,089 | 205,841 | 245,625 | 245,625 |
| Reserve for Maximum Perf Incentives | 1,077,500 | 20,000 | 0 | 0 | 0 |
| Total Recommended Reserves | 33,922,672 | 40,120,480 | 40,062,971 | 37,441,576 | 42,407,951 |
| Less: Short-Term Disability | (595,629) | (687,696) | (511,427) | (589,459) | (611,427) |
| Net Recommended Reserves (Excluding STD) | 33,327,043 | 39,432,784 | 39,551,544 | 36,852,117 | 41,796,524 |

Summary of Assets available to Cover Reserves

| | | | | | |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|
| Available Assets (Excluding STD) | 50,776,561 | 50,351,691 | 54,406,804 | 55,679,671 | 51,626,350 |
| Accrued for Wellness | 0 | | (2,931,971) | (3,820,637) | (3,278,137) |
| Accrued Liabilities (Excluding STD) | (7,429,121) | (5,038,652) | (8,910,756) | (4,225,302) | (4,221,592) |
| Net assets to cover reserves | 43,347,440 | 45,313,039 | 42,564,077 | 47,633,732 | 44,126,621 |
| Assets in Excess of Reserves | 10,020,397 | 5,880,255 | 3,012,533 | 10,781,615 | 2,330,098 |

Maricopa County Benefits Trust
Impact of Benefit Premium Holiday on Fund Balance

| Self Insured Funds | Full Year Forecast | | Full Year Forecast | | Full Year Forecast | | Before Holiday | | Two | | After Holiday | |
|----------------------------|-----------------------|-----------------------|---------------------|-----------|----------------------|-----------|----------------------|-------------------|------------------------|--------------------|----------------------|--------------------|
| | FY 2014 | FY 2014 | FY 2014 | FY 2014 | FY 2014 | FY 2014 | Fund Balance | Fund Balance | Premium | Premium | Fund Balance | Fund Balance |
| | Expenditures | Revenues | Net | | | | 7/1/2013 | 6/30/2014 | Holidays | Holidays | 6/30/2014 | 6/30/2014 |
| 601-CMG MEDICAL | 49,384,472 | 50,228,459 | 843,987 | | | | 1,819,239 | 2,663,226 | (4,017,240) | (4,017,240) | (1,354,014) | (1,354,014) |
| 604-OAP MEDICAL | 37,714,766 | 39,198,689 | 1,483,923 | | | | 166,644 | 1,650,567 | (3,321,790) | (3,321,790) | (1,671,223) | (1,671,223) |
| 606-CHOICE FUND H.S.A. | 20,082,788 | 20,131,069 | 48,281 | | | | 874,392 | 922,673 | (1,705,080) | (1,705,080) | (782,407) | (782,407) |
| Total Medical | 107,182,026 | 109,558,217 | 2,376,191 | | | | 2,860,275 | 5,236,466 | (9,044,110) | (9,044,110) | (3,807,644) | (3,807,644) |
| 608-COINSURANCE PHARMACY | 14,362,951 | 15,296,156 | 933,205 | \$ | | | \$ 20,582,799 | \$ 21,516,004 | (1,275,224) | (1,275,224) | 20,240,780 | 20,240,780 |
| 619-ONSITE PHARMACY CLINIC | 1,745,433 | 1,696,834 | (48,599) | | | | (372,426) | (421,025) | 0 | 0 | (421,025) | (421,025) |
| 620-BENEFITS ELIMINATIONS | (1,045,980) | (1,045,980) | 0 | | | | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Pharmacy | 15,062,404 | 15,947,010 | 884,606 | | | | 20,210,373 | 21,094,979 | (1,275,224) | (1,275,224) | 19,819,755 | 19,819,755 |
| 614-BEHAVIORAL HEALTH | 1,590,446 | 1,684,713 | 94,267 | | | | 5,181,294 | 5,275,561 | (140,736) | (140,736) | 5,134,825 | 5,134,825 |
| 629-SI DENTAL | 4,422,677 | 4,508,078 | 85,401 | | | | 5,122,173 | 5,207,574 | 0 | 0 | 5,207,574 | 5,207,574 |
| 623-VISION | 1,595,679 | 1,704,104 | 108,425 | | | | 54,125 | 162,550 | 0 | 0 | 162,550 | 162,550 |
| 615-WELLNESS | 1,901,209 | 1,404,321 | (496,888) | | | | 3,820,637 | 3,323,749 | 0 | 0 | 3,323,749 | 3,323,749 |
| 618-BENEFIT ADMINISTRATION | 2,958,843 | 3,082,888 | 124,045 | | | | 5,751,269 | 5,875,314 | 0 | 0 | 5,875,314 | 5,875,314 |
| Total Other | 12,468,854 | 12,384,104 | (84,750) | | | | 19,929,499 | 19,844,749 | (140,736) | (140,736) | 19,704,013 | 19,704,013 |
| Grand Total | \$ 134,713,284 | \$ 137,889,331 | \$ 3,176,047 | \$ | \$ 43,000,147 | \$ | \$ 46,176,194 | \$ | \$ (10,460,070) | \$ | \$ 35,716,124 | \$ |